

to adjust. In effect, the central bank created the pesos used to buy away its dollar reserves. With a large stock of reserves and a store of credibility earned with the Salinas reforms, the sterilized interventions did buy time for a monetary correction, but instead the new administration decided to devalue. The \$50 billion support package has restored some stability, but without policy changes Mexico could sterilize its way through \$50 billion as it just sterilized its way through \$30 billion.

#### A CONTRARY PRINCIPLE

It would be quite another matter if some of the \$50 billion were used for unsterilized intervention, buying pesos and extinguishing them. And while sterilization is indeed standard policy under the international conventional wisdom, it is not the only possible one. Indeed, the currency board policies adopted in Hong Kong, Argentina and Estonia operate on a contrary principle. Local currency is issued only when new foreign exchange reserves are earned, and is extinguished when reserves fall. Interestingly, Argentina reacted to the Mexican crisis by eliminating its remaining bands, not widening them. Finance Minister Domingo Cavallo clearly has not adopted the conventional wisdom; indeed, he consummated his currency board by inviting IMF advisers out of his nation.

The currency board arrangement is reminiscent of the classical gold standard before World War I, when the domestic monetary base automatically rose or fell with the gain or loss of gold reserves. The currency boards use foreign currency instead of gold, of course. This means that while all nations could use the gold standard, with currency boards one central bank, presumably the Federal Reserve, would have to use some other outside signal in setting the pace of money creation.

The new Republican Congress is gearing up for hearings about what went wrong in Mexico, which promise to become a reexamination of the prevailing conventional wisdom. Clearly the Republicans recognize the devaluation as a mistake, as Senate Majority Leader Bob Dole has plainly stated. What advice, Republican committees want to know, did the Mexicans get from the IMF and U.S. Treasury? And what advice will they give the future Mexicans?

When the GOP won in November, who would have guessed that one of the first effects would be a far-reaching examination of international monetary policy? Even for us who thought its arcane mysteries were as dangerous as they've now proved in Mexico, it seemed too much to hope.

#### BALANCED BUDGET AMENDMENT TO THE CONSTITUTION

The Senate continued with the consideration of the joint resolution.

AMENDMENT NO. 236

Mr. HEFLIN. Mr. President, I rise in support of the amendment to the resolution offered by Senator REID which would protect the Social Security system. I am a cosponsor of the amendment to balance the budget and a strong believer in it. But I feel the Social Security program is such that it ought to be off budget and that we ought to have truth in regard to budgeting.

I am a cosponsor of the Reid amendment, which is designed to ensure that the budget is not balanced on the backs of hard-working Americans who have

contributed toward their retirement with a portion of each paycheck. This is not only a protection for retirees but also a protection for all Americans who pay into the program.

The amendment is simple. It protects the Social Security system by excluding the receipts and the outlays of the Social Security program from the budget. The present system of collecting FICA payments from employees' paychecks, as well as a matching contribution from employers, is used to fund a Social Security trust fund. Currently, the payments to the Social Security recipients out of this trust fund are less than the amount taken in through the FICA payments. This surplus in contributions to the fund was created by Congress in the early 1980's to account for the increase in the payout which will occur in the future as the baby boomers begin to retire and draw upon Social Security, and was also done for the purpose of making the Social Security system at that particular time stable, and to try to make it actuarially sound for a great number of years.

We can liken the Social Security trust fund to the traditional savings account most Americans have in the bank. By putting a little money into a savings account each month, and forgetting it is there, it will eventually build up and become substantial by the time it is needed. We do not include the savings account in our monthly operating budget in our checking account, which is used to pay monthly bills and expenses. As I read it, under the language in the balanced budget resolution now pending here in the Senate, this Social Security savings account would no longer be completely safe to build up the surplus which will be needed to pay retiring baby boomers in the 21st century.

Next, I will turn to what are potential problems, which may arise under the current language of the balanced budget resolution.

If at some time the payments to Social Security beneficiaries should be greater than the receipts from the FICA tax revenues, a deficit would occur. According to figures supplied by the Social Security Administration this should occur starting in the year 2013. At this point it is not clear what effect this deficit would have on Social Security payments. As part of a unified budget, would the deficit which would begin to occur with respect to Social Security tax funds require a drastic cut in other non-Social Security programs to make up the trust fund deficit? Or would Congress change the formula for benefits and thus reduce those benefits?

A scenario, which could occur under the balanced budget amendment as currently drafted, concerns the ability of the Government to repay to Social Security trust fund the interest owed from its Government investments. It seems that the intent of section 7 of the amendment is to exempt from total

outlays the repayment of debt principal. Those words seem to be carefully chosen of "debt principal." The unintended consequence—I hope it is unintended; it may not be unintended—to Social Security may be that should outlays exceed receipts from the general Treasury funds then, according to section 7, no interest payments would be made to the Social Security trust fund.

What happens is that under the Social Security trust fund, we invest in Government securities. Those Government securities are not transferable. Those Government securities are particularly Social Security trust fund investments. They draw interest. That is part of the effort that was made to make the Social Security fund actuarially sound. But pursuant to the definitions under section 7 of outlays and of receipts, the definition of receipts, includes all receipts except those obtained from borrowing.

The Social Security funds are in effect invested in Government securities and, therefore, they are borrowed money.

Then we find that in the outlays, the definition is that it includes all outlays that the Government is obligated to pay with the exception of the payments to the debt principal. Therefore, it does not include the payments which we classify as interest. Since interest payments will be on budget, that causes a problem relative to whether or not interest payments will be paid back.

The result of this nonpayment of interest due on principal debt could substantially affect the stability of the bonds, which secure the debt and the trust fund. If this should happen the bonds would probably go into default and thus have little value. This would cause a destabilization in the funds invested with Social Security trust fund dollars, and a loss of faith by the American people.

To show what could happen, we look ahead and see what is the amount of money we are referring to and what could possibly be involved with this amendment. According to the Social Security Administration, they anticipate that by the year 2003 there will be \$1,151,300,000,000 in assets of the Social Security fund. And, under the law, those assets, a surplus, will be invested in Government securities. If the interest could not be paid on those because of the operation of on-budget activity, then you would have \$1 trillion that is in some bonds in which the Government has invested with no interest paid, and therefore causing serious problems, and certainly this would deprive the Social Security funds of the interest that has been accrued in the event that the on-budget does not pay them back.

This could be averted through challenges in courts, but that raises questions of interpretation under the principles of constitutional construction.

Generally, constitutional provisions have received a broader and more liberal construction than statutes. The Supreme Court in *Kansas v. Colorado*, 206 U.S. 46, 88 (1906), upheld this general rule stating "the Constitution is not to be construed technically and narrowly, like an indictment, \* \* \*, but as [a document that creates] a system of government whose provisions are designed to make effective and operative all the governmental powers granted." The balanced budget amendment presently contains exceptions which raise issues as to how broadly it should be interpreted.

Section 7 of the balanced budget resolution contains language which creates exceptions to what shall be counted as receipts and outlays of the U.S. Government. The provision which pertains to outlays, specifically excepts from the calculation of outlays the repayment of debt principal. How broadly this exception may be interpreted raises great concern. The Supreme Court has addressed the issue of statutory exceptions and has held that "in construing provisions \* \* \*, in which a general statement of policy is qualified by an exception, we usually read the exception narrowly in order to preserve the primary operation of the provision." *Commissioner v. Clark*, 489 U.S. 726, 739 (1989); "where Congress explicitly enumerates certain exceptions to a general prohibition, additional exceptions are not implied." The Supreme Court in a 1991 case of *United States versus Smith*, and then in the case of *Citicorp Industrial Credit, Inc. versus Brock*, a 1987 case—held similarly to the previous courts, although this case dealt particularly with the Fair Labor Standards Act, it follows the statutory interpretation principle for a narrow interpretation of statutory exemptions. This textual principle of construction regarding the narrow construction of exceptions is included in the *Canons of Construction*, which are now followed by the U.S. Supreme Court, which we generally refer to as the Rehnquist court.

We need to make sure that the scenarios that I have described do not happen. To do so will require an amendment to the present balanced budget resolution being offered. We should keep in mind that Social Security is a program self-financed from contributions by employees and employers, which does not contribute 1 penny to the deficit. In fact, Congress, realizing this fact, included in the 1990 Budget Enforcement Act, a provision that declared that the funds were off budget. Unfortunately, the current resolution would clearly put Social Security on budget and thus overturn our recent decision to affirm the off-budget status of Social Security.

I have supported a balanced budget amendment since my first days in the Senate. There have been several times in the past where the passage of an amendment was close but failed for one reason or another. But now that the

amendment has passed the House, there is renewed momentum which I believe will carry the amendment successfully through the Senate. But as we debate and develop the balanced budget amendment, we need to be sure that we also protect the integrity of the Social Security System and maintain truth in budgeting. The protection of the self-funded system can be maintained by keeping it off budget and out of the balanced budget process.

Mr. President, there has been raised the issue of whether or not the Reid amendment is proper in that it contains language which, in effect, refers to existing statutes. Some say this should not be included in the Constitution. However, it has been done before, in the 21st amendment. It was the 21st amendment that repealed the 18th amendment. The 18th amendment, as you remember, dealt with intoxicating liquors, and the 21st amendment repealed it. But in section 2 of the 21st amendment, it has this language:

The transportation or importation into any State, territory, or possession of the United States for delivery or use therein of intoxicating liquors in violation of the laws thereof is hereby prohibited.

What we were stating in that amendment was a reference to laws of States—not just the United States, but the laws of the States in its reference, and that, in my judgment, is a precedent for including the language that is included in the Reid amendment.

Another source for precedent is in the 14th amendment—the 14th amendment, of course, is one of the amendments that was adopted following the War Between the States. In section 4 of that amendment, it makes reference to existing statutes. In that section it states:

The validity of the public debt of the United States authorized by law, including debts incurred for the payment of pensions and bounties for services in suppressing insurrection or rebellion shall not be questioned.

Again, it is referring to existing debts that were created under laws of the United States for the payment of pensions and bounties for services in suppressing insurrection or rebellion. And then it goes forward in that section,

\* \* \* but neither the United States or any State shall assume or pay any debt or obligation incurred in aid of insurrection or rebellion against the United States or any claim for the loss or emancipation of any slave, but all such debts, obligations, and claims shall be held illegal and void.

So we have seen reference to statutory language in the Constitution on at least two occasions.

I think others are seeking the floor. I am glad to yield if the Senator from South Carolina wishes to speak.

I yield the floor.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina [Mr. HOLLINGS] is recognized.

Mr. HOLLINGS. Mr. President, I thank my distinguished colleague. It should be noted that the law in the

Constitution is being cited not only by the distinguished Senator, but by a former Chief Justice of the Supreme Court of the State of Alabama, Senator HEFLIN. He has studied the law and legal precedence—particularly constitutional provisions. I compliment him for speaking out on this particular occasion.

It is not my intent to belabor the point, but I certainly want to emphasize that there is no alternative other than including the REID amendment. Why do I say that? Section 13301 of the Budget Enforcement Act, says, thou shalt not use Social Security funds with respect to receipts, outlays, or concerning the deficit.

That law passed this particular body on a vote of 98-2, in 1990, and was signed into law by President George Walker Herbert Bush on November 5, 1990. It is the law, and it has been reiterated again and again. On Monday of this week, Mr. President, it was cited by the distinguished majority whip—the distinguished Senator from Mississippi. When asked about specific cuts, he said:

Nobody—Republican, Democrat, conservative, liberal, moderate—is even thinking about using Social Security to balance the budget, to pass the joint resolution for the balanced budget amendment to the Constitution.

They are not thinking about it, they are doing it. You actually repeal section 13301 of the Budget Enforcement Act that says: Thou shalt not use Social Security trust funds for deficit purposes.

Why is that, Mr. President? It clearly states in section 7 of the resolution:

Total receipts shall include all receipts of the United States Government, except those derived from borrowing.

The Social Security receipts in the Social Security trust fund is included in deficit calculations under this definition. Some on the other side have said, "Do not worry, we will legislate later."

But I recall that none other than President George Washington, in his Farewell Address, said:

If in the opinion of the people the distribution or modification of the Constitutional powers be in any particular wrong, let it be corrected by an amendment in the way which the Constitution designates. But let there be no change by usurpation; for though this is one instance of good, it is the customary weapon by which free governments are destroyed.

The Father of this Country knew that you could not change the Constitution by statute.

I have been in favor of balancing the budget. I helped the distinguished Senator from Utah [Mr. HATCH] in 1982 when the balanced budget amendment received the two-thirds required, the 67 votes.

We tried again with my distinguished senior colleague, Senator THURMOND, in 1986 but we did not get two-thirds required.

We tried last year under the distinguished leadership of the Senator from Illinois [Senator SIMON] but again failed.

We have been in the vineyards working on this particular problem, but part and parcel of the problem is another contract with America—the contract we made with the senior citizens of America back in 1935.

We felt so keenly about honoring that contract, that we raised taxes in 1983, under the Greenspan commission, to keep the program fiscally sound and to maintain that solemn trust. To maintain that contract with our senior citizens—not for defense, not for welfare, not for foreign aid, not for other Government programs—but for the Social Security trust fund.

If you had said at that time that we were raising taxes for welfare, foreign aid, defense or other spending, I would have voted no and other Senators would have voted no. But instead, we said, "This is a trust fund and we must continue to keep that trust."

Like the Senator from Mississippi has said, no one is thinking about violating that trust, but yet we are constitutionally dissolving it by including revenues from the Social Security trust in the definition of total receipts. Legislative fixes will not work. As George Washington said, you cannot amend the Constitution except as the Constitution itself designates.

I am a reasonable man—as Rex Harrison said in "My Fair Lady," an ordinary man—just trying to get along on the floor of the Senate, certainly supporting a balanced budget, but feeling compelled to take issue here having established a record in protecting Social Security.

In the Budget Committee in 1990, I proposed the Social Security Preservation Act. It stipulated that Social Security trust funds should not be used in calculating the deficit. It was reported out 20 to 1, and on the Senate floor passed by a vote of 98 to 2. And still, I see administrations, Republican and Democrat; I see Congresses, Republican and Democrat, violating the law.

Unfortunately, it does not surprise me. Former Senator Harry Byrd shepherded his own statute through the Congress which said, in essence, "Thou budget shall be balanced." It was the law, and yet we never adhered to it. I do not know how we get away with this thievery. But I know that something is amiss when honest public servants say that no one is considering using Social Security to balance the budget when, on the face of the legislation, it would require it. At that point, I have to speak out.

As a result, I have written a letter to all the Senators to put to rest ideas about changing it by legislation later on. You cannot amend the Constitution by legislation. You have to get a joint resolution, have three readings in the Senate, and have an affirmation of 37, or two-thirds, of the sovereign States of America. So even if I wanted to pro-

tect Social Security by statute, I could not do what they say can be done.

I will read the letter. This is to every one of my colleagues in the Senate.

In 1983, the Congress made the Social Security fund fiscally sound by programmed tax increases. Naturally, the Congress would never have supported these tax increases if the monies were to be used for foreign aid, defense, welfare or the deficit costs of government. But violating the truth-in-budgeting principle, the Administrations and Congresses continued to use the Social Security trust fund to obscure the size of the deficit. Annoyed with this violation, the Budget Committee voted nearly unanimously in 1990 and the United States Senate with a vote of 98-2 joined the House in the now formal statutory law of the United States in section 13301 of the Budget Enforcement Act, forbidding by law the use of the Social Security fund for the deficit. The violation continues. Now comes the balanced budget amendment to the Constitution requiring that, "Total receipts shall include all receipts of the United States Government except those derived from borrowing." Left alone, this provision would repeal Section 13301 and constitutionally endorse the violation. The REID amendment presently under consideration corrects this unintended repeal by stating that the Social Security trust fund, " \* \* \* should not be counted as receipts or outlays for the purpose of this article."

John Mitchell, the former Attorney General was known for the axiom, "Watch what we do, not what we say." It should be made crystal clear that we mean what we say. If you want to continue to use the trust fund and breach the trust, vote against the Reid amendment. There it is clear and simple, so everyone understands.

If you want to maintain the trust—the Contract with America made back in 1935—then please support the Reid amendment.

If this Reid amendment is allowed, there is no misunderstanding that we will maintain the trust.

If the Reid amendment is defeated, we will be taking \$636 billion away from the trust fund in order to obscure the size of the deficit.

Mr. BIDEN. Will the Senator yield?

Mr. President, is it not true—and I am not being solicitous. No one knows more about the budget process on this floor than the distinguished Senator from South Carolina, and no one has more credentials for making the tough decisions about what we should do to cut the budget than the Senator from South Carolina. He has always put his vote where his mouth is on this issue which, I might say, very few Members of either party have done in the past.

The Senator just pointed out that we are talking about the difference between, for this next year, \$600-some billion—not this year—\$600-some billion, between now and the time it comes time to balance the budget, additional, we have to find, if the Reid amendment passes.

Is it not true that in addition to that, what is likely to happen is that our friends, who are going to find increasing pressure to balance the budget and who have never been great friends of the trust fund to begin with, are going to, in the next year or 2 or 3, as we move toward the year 2003, since most young people the age of your children

and mine believe they are not going to get Social Security, anyway, is it not likely that we will see a movement that we will cut Social Security benefits; that we will either raise the retirement age or cut benefits, further increasing the surplus that Social Security will generate between now and the year 2014, and further making the deficit look smaller, so that it is easier to meet the balanced budget requirement by the year 2003?

Does the Senator think that is as likely a scenario as any other we are likely to see?

Mr. HOLLINGS. Mr. President, the distinguished Senator from Delaware and former chairman of the Judiciary Committee knows it well. He is a constitutional expert, and is right on target as to the practical result.

We see several Senators trying to avoid the problem and not engage in truth in budgeting. We have truth in packaging and truth in lending, but we do not have truth in budgeting. It was not in the Contract With America and it is not in the current version of this balanced budget amendment.

Mr. BIDEN. If the Senator will yield for an additional question, as I understand it, the distinguished majority leader is going to come to the floor at some point and offer a legislative fix for this constitutional dilemma, to try to convince all the American people that the Republicans or those who are for the balanced budget do not want to cut Social Security and are not going to be using Social Security trust fund moneys to reduce the deficit.

Now, we both know that we cannot alter—the Senator said it more eloquently than anyone thus far—we cannot alter the Constitution other than by the rules the Constitution sets out.

We will assume for just a moment the distinguished Senator from Kansas, if that is what he decides to do, comes along and says we will pass a resolution promising we will not do that. Is it the understanding of my friend from South Carolina that means, for calculation purposes of what constitutes the deficit, that between now and the year 2000, we will not count the \$60 billion surplus this year and the \$100 billion surplus in the year 2000, toward reducing the deficit?

Is that what he is going to do?

Mr. HOLLINGS. There can be no legislative fix. Constitutionally you are mandating Social Security receipts as part of total receipts. If the distinguished majority leader wants to put in a separate constitutional amendment, that may be different. I am not trying to tear down House Joint Resolution 1, the balanced budget amendment to the Constitution. I voted for it three times. I would like to vote for it a fourth time, but I cannot in good conscience repeal my own statute.

Mr. BIDEN. Will the Senator yield for another question?

Mr. HOLLINGS. Yes.

Mr. BIDEN. When we debated this in the Judiciary Committee, and this legislation came out of the committee, I, along with Senator FEINSTEIN and others, argued for this amendment in the committee. One of our senior Republican colleagues was very blunt about this issue. He said, along with former Senator Tsongas of the Concord Coalition, who came in to testify, the following:

That if you take Social Security out of the mix here and set it aside so it is not covered by a constitutional amendment, we are not likely to do anything to fix it.

What they mean by "fix it" is change Social Security; that is, either raise the retirement age, cut the benefits or increase the taxes, because everybody knows that by the time—I am 52—by the time it comes time for me to collect Social Security, there are not going to be enough of your children and my children to pay for my Social Security benefits. So something is going to have to be done.

Unrelated to the balanced budget amendment and the impact of the Reid amendment on the balanced budget amendment or the impact of the balanced budget amendment on Social Security, unrelated to the balanced budget amendment, just Social Security all by itself, does the Senator from South Carolina see any way in which Social Security can be protected from significant change if, in fact, it is included as part of the balanced budget amendment?

Mr. HOLLINGS. No, taking it off-budget is the only way to protect it. That is the only way that we can be sure that Social Security funds are not being used to mask the size of the deficit.

Mr. BIDEN. Right.

Mr. HOLLINGS. You can still go in and change the age if you wanted to or raise the FICA tax. I do not want to.

Mr. BIDEN. Absolutely.

Mr. HOLLINGS. But I think the Reid amendment is very clear. It states that the receipts, "including attributable interests and outlays of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund used to provide old age survivors and disability benefits shall not be counted as receipts or outlays for the purpose of this article."

It does not say that you have to have a trust fund. They can go in and repeal the 1935 Roosevelt Social Security if they wanted to.

Mr. BIDEN. Will the Senator yield for 30 seconds more?

Mr. HOLLINGS. Yes.

Mr. BIDEN. I want to thank the Senator for allowing me to interrupt him with all these questions. It seems pretty clear to me this is about two things: One, they need the Social Security dollars to make the deficit look like it is less than it is, and then the next step is they are going to need to try to deal with changing it to increase the amount of money they get in the trust funds to make the deficit look even

less, which means that Social Security is going to get hit.

But I will withhold my statement on this until tomorrow. I thank my colleague for letting me interrupt.

Mr. HOLLINGS. I thank the distinguished Senator from Delaware. I yield the floor.

Mr. HATCH. Mr. President, I cannot emphasize enough, that the surest way to harm Social Security, the surest way to deplete the trust fund, the surest way to open a loophole which will swallow the balanced budget amendment is to pass this exemption.

If we open up this loophole it will be big enough to drive a truck through, and it will not be long before the convoy starts rolling.

If we keep the balanced budget amendment whole, however, we will protect Social Security. Several of my colleagues appear to misunderstand how the trust fund works. The extra money in the trust fund is borrowed by the Treasury, not stolen but borrowed. And just like any other loan in the country, it must be repaid. The trust fund loses nothing. In fact, it gains the interest which the Treasury has to pay on the loan. That will not change under the balanced budget amendment.

The integrity of the trust fund is furthered by the balanced budget amendment. Any money the Treasury may borrow, must be repaid. Just because a balanced budget rule is adopted, there is no reason to think the status of the trust fund will change. It is a complete non sequitur, Mr. President. There is absolutely nothing in the balanced budget amendment which says the funds designated for the Social Security trust fund will not remain so dedicated. They will. So let me say it again, as clearly and concisely as I possibly can—the trust fund is not harmed in any way, shape, or form by the balanced budget amendment.

Unfortunately, the trust fund will not fare so well under the Reid exemption. If the loophole goes into effect, all kinds of unrelated spending programs will suddenly be redesignated as Social Security and will soak up the Social Security surplus. That means the Treasury will not have to borrow money from Social Security because the new programs will be Social Security. What an insidious turn of events. Under the proposed exemption, the trust fund will actually be depleted years before it would without the exemption.

I want to respond briefly to the notion that we cannot protect Social Security through the implementing legislation. The balanced budget amendment requires that the whole budget be balanced. Surpluses are certainly permitted, and nothing in the balanced budget amendment discourages us saving for a rainy day, as the Social Security system now does. None of the statutory protections that are now enacted will be brushed aside, and nothing keeps us from keeping the accounts segregated and accounting in a way that shows what is dedicated to Social

Security. Nothing will change in the way we segregate Social Security if the balanced budget amendment is adopted.

It is true that the budget must be balanced. But this will help protect Social Security recipients who rely on those moneys after 2029, when the trust funds are projected to be insolvent. At that point, the balanced budget amendment will require that there be sufficient money to pay those benefits. And a balanced budget rule will help those who rely on Social Security after 2019, when the trust fund will begin to redeem its loan to the Federal Government. To the extent that the Federal Government is in a better position to repay this debt, the Social Security recipients are more strongly protected. And to the extent that the Government continues its profligate ways, it will be less, not more, able to repay the debt to the trust fund.

So the best way to protect Social Security recipients in the long run is to adopt a balanced budget amendment so that the Government will be able to pay its debt to retirees.

Mr. DOLE. Mr. President, I thank my colleagues.

The PRESIDING OFFICER. The majority leader.

Mr. DOLE. I will take a moment and then be happy to yield the floor.

#### MOTION TO REFER

Mr. President, I send a motion to refer to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the motion.

The assistant legislative clerk read as follows:

The Senator from Kansas [Mr. DOLE] moves to refer H.J. Res. 1 to the Budget Committee with instructions to report back forthwith H.J. Res. 1 in status quo, and at the earliest date possible report to the Senate how to achieve a balanced budget without increasing the receipts or reducing the disbursements of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund to achieve that goal.

Mr. DOLE. I ask for the yeas and nays on the motion to refer.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

#### AMENDMENT NO. 237

Mr. DOLE. Mr. President, I send an amendment to the desk to the motion to refer.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Kansas [Mr. DOLE] proposes an amendment numbered 237 to the instructions of the motion to refer H.J. Res. 1 to the Budget Committee.

Mr. DOLE. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In lieu of the instructions, and after the words "Budget Committee" on page 1, lines 1 and 2 insert: "that for the purpose of any constitutional amendment requiring a balanced budget, the Budget Committee shall report back forthwith H.J. Res. 1 in status quo, and at the earliest date practicable they shall report to the Senate how to achieve a balanced budget without increasing the receipts or reducing the disbursements of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund to achieve that goal."

Mr. DOLE. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 238 TO AMENDMENT NO. 237

Mr. DOLE. Mr. President, I send an amendment to the desk in the second degree to my amendment and ask that it be reported.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Kansas [Mr. DOLE] proposes an amendment numbered 238 to amendment No. 237.

Mr. DOLE. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike all after the first word and insert the following: "for the purpose of any constitutional amendment requiring a balanced budget, the Budget Committee of the Senate shall report forthwith H.J. Res. 1 in status quo and at the earliest date practicable after February 8, 1995, they shall report to the Senate how to achieve a balanced budget without increasing the receipts or reducing the disbursements of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund to achieve that goal."

Mr. DOLE. I thank my colleague from South Carolina and other colleagues for yielding to me.

#### MORNING BUSINESS

#### REPORT OF PROPOSED LEGISLATION ENTITLED "MAJOR LEAGUE BASEBALL RESTORATION ACT"—MESSAGE FROM THE PRESIDENT RECEIVED DURING RECESS OF THE SENATE—PM 14

Under the authority of the order of the Senate of January 4, 1995, the Secretary of the Senate on February 8, 1995, received a message from the President of the United States; which was referred to the Committee on Labor and Human Resources.

#### *To the Congress of the United States:*

I am pleased to transmit for your immediate consideration and enactment the "Major League Baseball Restoration Act." This legislation would pro-

vide for a fair and prompt settlement of the ongoing labor-management dispute affecting Major League Baseball.

Major League Baseball has historically occupied a unique place in American life. The parties to the current contentious dispute have been unable to resolve their differences, despite many months of negotiations and the assistance of one of this country's most skilled mediators. If the dispute is permitted to continue, there is likely to be substantial economic damage to the cities and communities in which major league franchises are located and to the communities that host spring training. The ongoing dispute also threatens further serious harm to an important national institution.

The bill I am transmitting today is a simple one. It would authorize the President to appoint a 3-member National Baseball Dispute Resolution Panel. This Panel of impartial and skilled arbitrators would be empowered to gather information from all sides and impose a binding agreement on the parties. The Panel would be urged to act as quickly as possible. Its decision would not be subject to judicial review.

In arriving at a fair settlement, the Panel would consider a number of factors affecting the parties, but it could also take into account the effect on the public and the best interests of the game.

The Panel would be given sufficient tools to do its job, without the need for further appropriations. Primary support for its activities would come from the Federal Mediation and Conciliation Service, but other agencies would also be authorized to provide needed support.

The dispute now affecting Major League Baseball has been a protracted one, and I believe that the time has come to take action. I urge the Congress to take prompt and favorable action on this legislation.

WILLIAM J. CLINTON.

THE WHITE HOUSE, February 8, 1995.

#### REPORT OF THE NATIONAL ENDOWMENT FOR THE HUMANITIES FOR CALENDAR YEAR 1994—MESSAGE FROM THE PRESIDENT—PM 15

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Labor and Human Resources.

#### *To the Congress of the United States:*

I am pleased to present to you the Twenty-ninth Annual Report of the National Endowment for the Humanities (NEH), the Federal agency charged with fostering scholarship and imparting knowledge in the humanities. Its work supports an impressive range of humanities projects.

These projects can reach an audience as general as the 28 million who watched the documentary Baseball, or as specialized as the 50 scholars who

this past fall examined current research on Dante. Small local historical societies have received NEH support, as have some of the Nation's largest cultural institutions. Students from kindergarten through graduate school, professors and teachers, and the general public in all parts of the Nation have been touched by the Endowment's activities.

As we approach the 21st century, the world is growing smaller and its problems seemingly bigger. Societies are becoming more complex and fractious. The knowledge and wisdom, the insight and perspective, imparted by history, philosophy, literature, and other humanities disciplines enable us to meet the challenges of contemporary life.

WILLIAM J. CLINTON.

THE WHITE HOUSE, February 9, 1995.

#### REPORT OF PROPOSED LEGISLATION ENTITLED "THE OMNIBUS COUNTERTERRORISM ACT OF 1995"—MESSAGE FROM THE PRESIDENT—PM 16

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on the Judiciary.

#### *To the Congress of the United States:*

I am pleased to transmit today for your immediate consideration and enactment the "Omnibus Counterterrorism Act of 1995." Also transmitted is a section-by-section analysis. This legislative proposal is part of my Administration's comprehensive effort to strengthen the ability of the United States to deter terrorist acts and punish those who aid or abet any international terrorist activity in the United States. It corrects deficiencies and gaps in current law.

Some of the most significant provisions of the bill will:

- Provide clear Federal criminal jurisdiction for any international terrorist attack that might occur in the United States;
- Provide Federal criminal jurisdiction over terrorists who use the United States as the place from which to plan terrorist attacks overseas;
- Provide a workable mechanism, utilizing U.S. District Court Judges appointed by the Chief Justice, to deport expeditiously alien terrorists without risking the disclosure of national security information or techniques;
- Provide a new mechanism for preventing fund-raising in the United States that supports international terrorist activities overseas; and
- Implement an international treaty requiring the insertion of a chemical agent into plastic explosives when manufactured to make them detectable.

The fund-raising provision includes a licensing mechanism under which